

Message Text

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PAGE 01 BUENOS 06326 271655Z

44

ACTION EB-11

INFO OCT-01 ARA-16 ADP-00 CAB-09 CIAE-00 COME-00 DODE-00

INR-10 NSAE-00 RSC-01 FAA-00 DOTE-00 SS-15 NSC-10 L-03

H-03 RSR-01 /080 W

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R 271545Z AUG 73

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 3387

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E.O. 11652: N/A

TAGS: ETRN, ARG

SUBJ: CIVAIR - AIR FREIGHT RATES

1. SUMMARY: US AIRLINES UPSET BY SPREADING PRACTICE GOA
AUTHORITIES APPROVED PROMOTIONAL, BUT UNECONOMIC, AIR FREIGHT
RATES FOR ARGENTINE EXPORTS. US LINES GEARING UP FOR POSSIBLE
PROTEST. INFORMATION DESIRED CONCERNING US AND OTHER GOVERN-
MENTS PRACTICES. END SUMMARY.

2. THERE HAS BEEN REPORTED TO EMBASSY THAT ON A FEW OCCASIONS
IN 1972, AND WITH CONSIDERABLE FREQUENCY IN 1973, WHICH HAS
BEEN RISING IN LAST TWO MONTHS, DNTAC IS APPROVING UNECONOMI-
CALLY LOW FREIGHT RATES FOR CERTAIN ARGENTINE EXPORTS WHICH
GOA WISHED TO FOSTER. TO DATE, US LINES HAVE MITIGATED EFFORT
OF THESE MEASURES BY MANIPULATING RESERVATIONS FOR CARGO,
GRANTING CARGO AT REGULAR RATES AT HIGH PRIORITY AND GIVING
LOWEST PRIORITY FOR SPACE AVAILABLE TO ITEMS CARRYING UNECON-
OMICAL RATES.

3. ACCORDING TO US AIRLINES, PROBLEM NOW BECOMING SERIOUS.
THEY ARE PLANNING TO TAKE UP MATTER WITH REPRESENTATIVES
OTHER FOREIGN AIRLINES IN MEETINGS OF LOCAL IATA MEMBERS
BECAUSE NEWLY ESTABLISHED TARIFFS CONSTITUTE UNILATERAL CHANGES
TO IATA AGREED TARIFFS WHICH WERE PREVIOUSLY APPROVED BY
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PAGE 02 BUENOS 06326 271655Z

DNTAC. AFTER DISCUSSION WITH COLLEAGUES, AND DEPENDING UPON

RESULTS THEREOF, US LINES WOULD CONSIDER DESIRABILITY OF JOINT PROTEST OR REPRESENTATION TO GOA AUTHORITIES.

4. WE UNDERSTAND DNTAC ACTION TO ESTABLISH PROMOTIONAL TARIFFS HAS NORMALLY BEEN AT BEHEST INTERESTED PRODUCERS AND SHIPPERS OF ITEMS RANGING FROM FOOTWEAR TO PENS, CIGARETTE LIGHTERS, HANDICARFTS, ETC. ROLE OF AEROLINEAS IS OBSECURE. US LINES FEEL AEROLINEAS IS AS SUBJECT TO COMPLIANCE WITH NEW TARIFFS AS ALL AIRLINES BUT HAVE CONFLICTING EVIDENCE INDICATING THAT AEROLINEAS SOMETIMES GIVE SHIPPERS PROMOTIONAL RATE APPROVED BY DNTAC AND ON OTHER OCCASIONS COLLECTS IATA APPROVED TARIFF. MOST FREQUENTLY QUOTED EXAMPLE OF RATES IS AS FOLLOWS: IATA APPROVED RATE COVERING FOOTWEAR FROM BUENOS AIRES TO NEW YORK IS 75 US CENTS PER KILO WHILE MORE RECENTLY APPROVED DNTAC PROMOTIONAL RATES IF 45 CENTS PER KILO.

5. IT WOULD BE APPRECIATED IF DEPARTMENT AND CAB COULD PROVIDE FOR OUR BACKGROUND ANSWERS TO FOLLOWING QUESTIONS AND SUCH OTHER DATA AS DEPARTMENT BELIEVES MAY BE USEFUL. TO WHAT EXTENT ARE IATA APPROVED AIR FREIGHT RATES BINDING UPON MEMBER LINES AND GOVERNMENTS WHICH HAVE ACCEPTED THEM? DO MOST OR SOME OR FEW GOVERNMENTS RECOGNIZE IATA ESTABLISHED RATES? TO WHAT EXTENT IS IT COMMON FOR GOVERNMENT CIVIL AIR AUTHORITIES TO ESTABLISH, AND INSIST UPON, FIXED AIR FREIGHT RATES? ON OUTBOUND TRAFFIC? ON INBOUND TRAFFIC? ON TRAFFICE ORIGINATING AND DESTINED TO THIRD COUNTRIES WHICH IS TRANSSHIPPED IN ITW OWN TERRITORY? WHEN GOVERNMENTS ESTABLISH AND APPROVE FREIGHT RATES, IS IT NORMALLY ON A FIXED BASIS OR ON A NOT MORE THAN OR NOT LESS THAN BASIS? CONCERNING US PRACTICE, ARE AIR FREIGHT TARIFFS FILED FOR INFORMATION OR FOR REVIEW AND APPROVAL? WHAT RECOGNITION DOES US GIVE TO IATA APPROVED AIR FREIGHT TARIFFS?
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Disposition Authority: golinofr
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Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
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Disposition Remarks:
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